

BDP MAA Green Knowledge Economy Action Plan

**Project Prioritisation Workshop
30th September 2009**

**Geo
economics**

Nations to neighbourhoods



In association with
Centre for
Applied Economic Geography
Birkbeck College
University of London



Project Objectives

To draft a GKE Action Plan for the MAA:

Develop a Dorset-based GKE model – taking account of market trends and the uniqueness of the local economy

Articulate the GKE model in a way it can easily be assimilated by a wide audience

Provide a strategic direction to the MAA Board which helps the Board and Councils to develop a business-led response to climate change



Multi-Area Agreement – 14th July 2008

Our vision is to develop a strongly performing sub-regional economy which delivers better quality jobs, whilst respecting and protecting the area's environmental assets

- ✓ Convergence with GB average on median earnings
- ✓ Skills & transport themes are supportive
- ✓ Environment: “maximise synergies between the environment and economic growth”

>> The Green Knowledge Economy



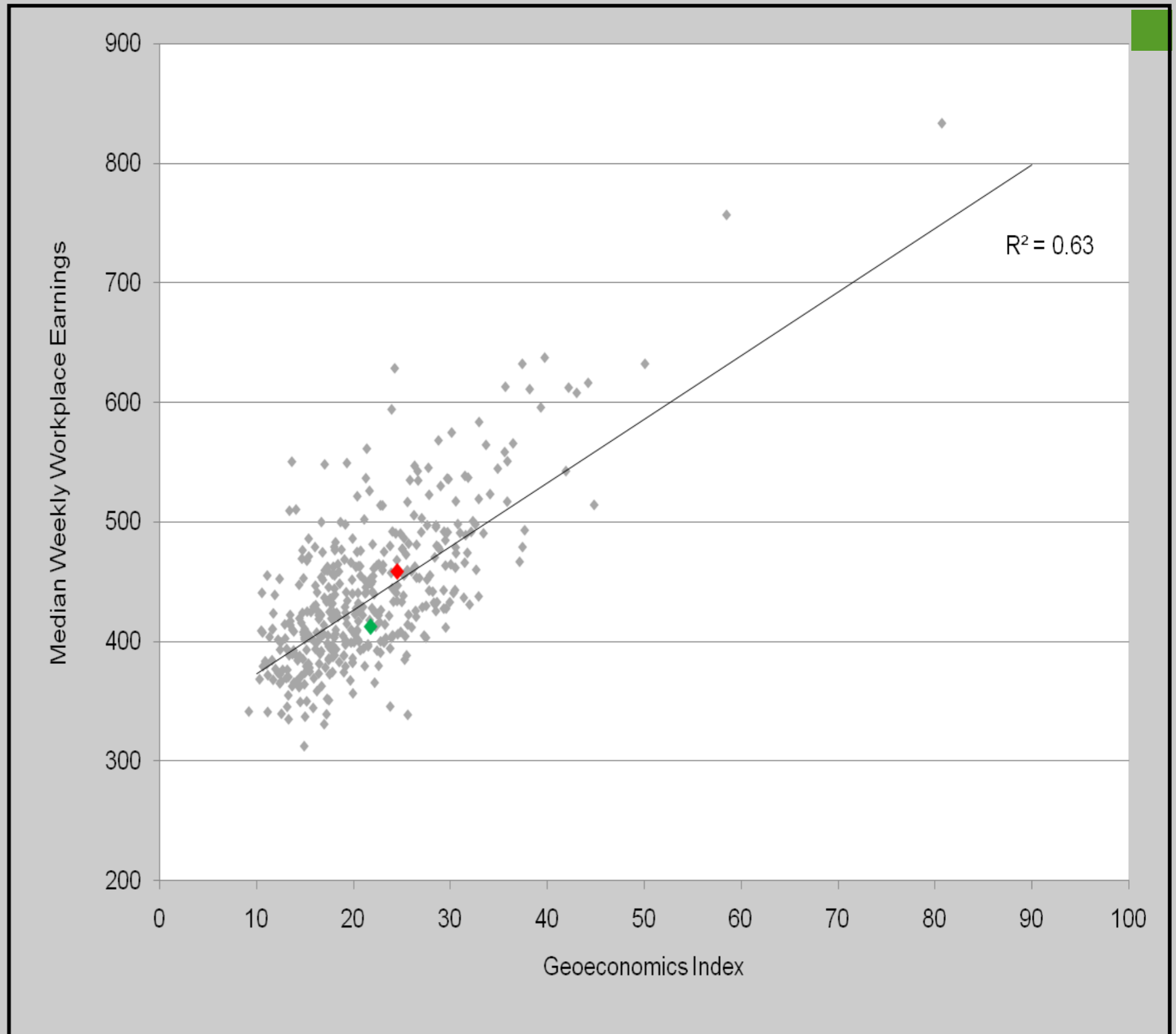
Stages of Work

- Local economic assessment
- Stakeholder consultations
- The Green Knowledge Economy (GKE) concept
- Develop the GKE framework
- Action Plan for the MAA Board

The 2007 Baseline

The need to
strengthen the
knowledge
economy

Urban/Rural
imbalance



BPD Sub Region = green GB = red

A Paradigm Shift in Economic Development



The Knowledge Economy

20C Vision

Competitiveness

Intangible Capital

Wheels & Wires (2W)

Services (FBS) & High Technology

Skills – Graduates

The Green Knowledge Economy

21C Vision

Sustainability

**Intangible, Produced Capital
& Natural Capital**

**Wheels, Wires, Watts
Water & Waste (5W)**

All Sectors (EGS)

**Skills – Graduates & Skilled
Manual/Process Workers**



Jobs of the Future (Cabinet Office, 9/09)

The UK “as a knowledge economy”:


Compete on commercial value of ideas and high skills

Drivers of Economic Growth:

Globalisation, Technology, Low Carbon-Resource Efficiency – and Ageing Population

Key Sectors:

EGS, Life Sciences, Advanced Manufacturing, Digital and Creative, Business Services, Social Care, Retail/Tourism/Hospitality/Leisure





Greening the Economy

The Green Agenda (resilience to climate change, resource efficiency and ecosystem protection) shifts to the centre of the economy and society

EU, UK and SW policy drivers for a low carbon economy – new job and new business opportunities (winners & losers)

Greening the existing economy – familiar sectors but also new technologies, markets, skills and policies



Principles for the GKE Strategy & Action Plan

Comparative advantages: natural capital; EGS knowledge base; engineering cluster; and **political/community support for a 'green society'**

The functional geography of the GKE is the sub-region – the spatial distribution of wealth-creation capital and public sector spend, travel to work areas (human capital and infrastructure): **the MAA is a window of opportunity**

Everybody wins – positive sum game based on cooperation

A powerful vision which unifies and inspires – fits the place (GKE model)

Action Plan – programmes & projects which set clear directions of travel and establish profile & message to investors and government



DEVELOPING AN ACTION PLAN



Action Plan Process

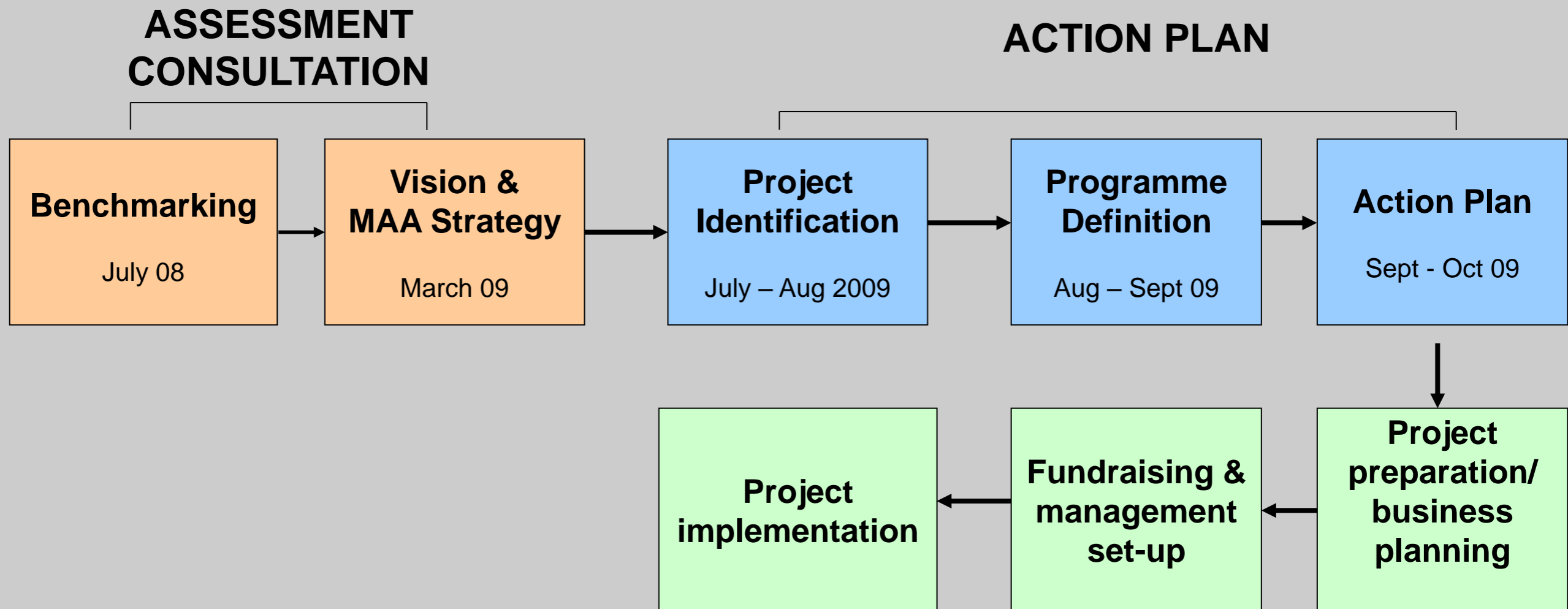
Project identification : PIF survey, meetings, follow-ups and prompts

Programme definition: channels for project development and delivery

First wave priorities: ‘three things and the power of consensus’ – with indicative costs and impacts

Formal action plan: project preparation, funding and management, implementation

The Process





Project Identification

26 Project Information Forms (19 public, 6 business, 1 community)
Meetings with Theme Groups and stakeholders

- ✓ GKE proof of concept (unifying, resonance)
- ✓ Good range of GKE areas
- ✓ Variability of quality and readiness
- ✓ MAA role is clear – consensus-building, scalability and ambition

Gaps: economic impacts; baselines; management capacity; funding

>> Projects are grouped into 4 Programmes



The Green Built Environment Programme

Mission:

To create a low-carbon, high quality modern built environment, maximising opportunities for generating job, training and business opportunities in the construction and EGS sectors

Projects:

Green Homes - Retrofit

Sustainable Business Environments

Biomass District Heating Network

Sustainable Construction (skills/enterprise)



The Green Business Innovation Programme

Mission:

To accelerate the diffusion of low-carbon and resource efficiency technologies and practices, while boosting SME productivity and the EGS supply sector

Projects:

Shared, sustainable procurement

Mapping the Environmental Goods and Services sector

Innovation Centre for the Green Economy (Bournemouth University Hub)

Integrated business service for take up of low-carbon, resource-efficient products and services



The Natural Capital Programme

Natural Capital = sub-soil assets; protected areas; crop and pastureland; forest products; water resources; ecosystems services; fisheries

Mission:

To increase the use and non-use economic value of the Sub-Region's natural capital assets


Projects (Implement the Green Infrastructure Strategy)

Eco-tourism and learning (regional park and coastal trails)

Green ICT (broadband) for rural businesses ('Digital Dorset')

Business/supply chain development in resource-based industries – forestry, agriculture, fishing

Knowledge network for environmental sectors





The Creative & Cultural Programme

Mission:

To improve the growth, competitiveness and employment performance of the creative and cultural sector

Projects:

Biennale (international student animation & eco-ethical fashion festivals)

Promotion of green creative businesses

A sustainable creative quarter

Creative Business Association





Project prioritization

- ✓ Fit with the GKE paradigm: synergies between the economy and the environment
- ✓ Local authorities as lead partners have significant leverage and knowledge base
- ✓ Collectively the 'first wave' projects will raise the economic profile of the sub-region
- ✓ Projects are scalable and attractive to private investors and business participation
- ✓ Assist with meeting low carbon targets
- ✓ Balance of projects in terms of GKE programmes and geography



Phasing of projects to 2026

- ✓ Low-hanging fruit – political solutions/public sector innovation?
- ✓ Implementation readiness
- ✓ Where to start – the geo-political and financial implications?
- ✓ Impact within 3-5 years, 5-10 years, run-in to 2026



Suggested 'first wave' projects

Shared, sustainable procurement – broadband infrastructure

Housing retrofit

Biomass district heating network

Mapping the EGS sector

Biennale for Creative Industries

Integrated business service for low-carbon, resource efficiency

Innovation Centre for the Green Economy



Potential Impacts on Economic Development

Procurement - £75m p.a., 4000 SMEs, 1500 jobs within Sub-Region

➤ **Impacts of localisation/green standards**

➤ **Digital Dorset (broadband) £250k p.a.**

Housing retrofit – 60k homes/ £155m (5 years; 50% public); 2600 jobs;
carbon reduction 150k tonnes p.a.

Biomass district heating network - £45m investment; 100 jobs (wood
supply chain and plant operation); carbon reduction

Biennale for Creative Industries – shop-window for creative businesses;
visitor spend (25k visitors); cost £500k p.a. (ticket sales/sponsorship)



Questions

Your views on the first wave projects – are there any obvious gaps?

The next steps in developing and delivering the projects – private and public sector partnership/teams?

What level of ambition is needed and desirable?

What unique role should the MAA Board play?